

## **Producing premium naturally produced lower alcohol, lower calorie New Zealand Wines**

### **“Lifestyle Wines”**

Quarterly Report: 7 March 2014 to 30 June 2014

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#### **1: Executive Summary:**

### **Producing premium naturally produced lower alcohol, lower calorie New Zealand Wines**



The launch of the “Lifestyle Wines” PGP programme has been very well received by participating companies (grantors) and has generated keen interest throughout the national wine industry and in the media, both at home and overseas.

The largest R&D effort ever undertaken by the wine industry, the Lifestyle Wines programme comprises five interrelated projects:

1. Market Access – ensuring that detailed market knowledge is available, a marketing and industry branding strategy is in place and there is legal access to sell Lifestyle Wines in overseas markets.
2. Sensory Perception and Analysis – providing an understanding of the sensory characteristics of Lifestyle Wines and how they appeal to consumers.
3. Vineyard Manipulations – developing skills to control the sugar content of grapes while enhancing flavours associated with ripeness.
4. Winery Manipulations – developing skills to maximise flavour, body, aroma and palate weight in Lifestyle Wines.
5. Communications and Technology Transfer in conjunction with Programme Management – ensuring that grantors and NZ Winegrowers’ members gain new skills to produce and market Lifestyle Wines with maximised returns.

As might be expected, programme initiation and launch has involved a wide range of related undertakings by New Zealand Winegrowers (NZW) and the programme manager:

- Establishment of a limited liability company comprising NZW and 16 grantors that have invested in the programme (grantors include NZ companies with large, medium-sized and small wineries).
- Related exploration of how group members (individually and severally) are permitted to operate based on NZ laws and regulations concerning competition and trading.
- Establishment of a governance structure and committee members.
- Selection of appropriate contacts within each grantor company – typically with a mix comprising representatives in viticulture, winemaking, the executive and/or marketing/export.

In almost every instance, key project personnel were in place or secured during the PGP proposal phase in 2013/2014 – with one exception. The position of marketing manager, so critical in terms of

providing preliminary knowledge and developing access to overseas markets, was the sole role that remained open when the programme launched in March 2014. Finding an experienced marketer for this role proved challenging, and this necessitated seeking an extension for related project activities, with a delayed start date of 1 July 2014. The position has now been filled, and we expect speedy progress for Project 1 – Market Access.



Meanwhile, Project 2's initial sensory research is nearing completion. Panels of experts and/or trained sensory assessors have been led through a baseline exercise at Plant & Food Research involving the characterisation of lower alcohol wines (9.5% or less in terms of Alcohol By Volume (ABV)) currently produced by NZ wine companies. The lower ABV wines are also being assessed against standard wines of the same variety (also produced by NZ wine companies and in the range of 12.5%-13.5% ABV) and against standard wines diluted to lower alcohol levels.

Projects 3 and 4 – vineyard and winery manipulations – centre on research into the myriad activities and inputs that can affect grape and wine production with an eye to producing lower alcohol and lower calorie wine styles. The work involves multiple trials over a number of years, as each season culminates with one harvest (as opposed to multiple opportunities for cropping in a single year). The earliest field trials have now been set in motion:

- Exploring irrigation regimes for the 2014/15 growing season.
- Exploring three different fertiliser treatments for the 2014/15 growing season.

These trials are designed to investigate the roles that such inputs (or deficits) may play in delayed sugar accumulation – an important issue in the production of lower alcohol wines. Promising results in this area will lead to future trials in the winery.

An important component of the PGP programme for Lifestyle Wines comprises communications and technical transfer (Project 5).

The inaugural grantors' meeting was held on the 17<sup>th</sup> June 2014 in Blenheim. The meeting was attended by some 40 representatives of grantor companies along with NZW representatives and research provider representatives.

Other programme communications channels are now in development. These include:

- A dedicated e-newsletter (estimated to launch in July/August 2014) enabling updates and significant communications from the project team and researchers to grantors.
- A dedicated area of the [nzwine.com](http://nzwine.com) website for PGP participants.
- Webcasting facility for presentations.
- Workshops/seminars to (1) foster working relationship among grantors' designated representatives and programme researchers and team members, and (2) inform/update participants on programme activities and related market information. The first workshop is scheduled to take place in October.